

STATEMENT OF NURSING HOME REVENUE AND EXPENSE – BEDS

Michigan Department of Health & Human Services

CERTIFICATE OF NEED

South Grand Building
333 S. Grand Avenue, 4th Floor
Lansing, Michigan 48933

Phone: (517) 241-3344 - Fax (517) 241-2962

AUTHORITY: PA 368 of 1978, as amended COMPLETION: Is Voluntary , but is required to obtain a Certificate of Need. If NOT completed, a Certificate of Need will NOT be issued.	The Department of Health & Human Services is an equal opportunity employer, services and programs provider.
---	---

INSTRUCTIONS:

- In preparing the statement of revenue and expense, please provide the following information:
1. **Last Year Actual Column** – For those projects which are additions to an existing facility must provide actual figures for its last completed fiscal year of operations.
New Facility must disregard the Last Year Actual Column and complete the section under the projected heading. Note: This is not necessarily a fiscal year or calendar year, but a 12-month period beginning when the project is in place. Please state the inflation factor used in these projections.
 2. Provide assumptions and rationale for the projections made for each line. Space has been provided by category for this response on Pages 3, 4, and 5 of this form.
 3. In the absence of explanation of assumptions, the analysts reviewing the project will make their own assumptions based on data provided in this and other sections of the application.
 4. Review data on revenue and expense statement for errors and possible conflict with that reported on other forms in the application. For example:
 - a. Does the depreciation expense reported agree with the depreciation and amortization schedule entries? Does the interest expense reported agree with the assumptions used in Section 1200?
 - b. Do utilization data in Section 700 agree with utilization data used for Section 1100 financial forms?
 - c. During preparation of a Certificate of Need application, figures and assumptions are sometimes revised. If you have made such revisions, have these changes been entered on all affected forms?

STATEMENT OF NURSING HOME REVENUE AND EXPENSE REVIEW

	LAST ACTUAL YEAR	PROJECTED		
	From:			
	To:	1st 12 Months	2nd 12 Months	3rd 12 Months
REVENUE:				
1. Routine Services	\$	\$	\$	\$
2. Ancillary Services				
3. Less: Allowance				
4. Other Revenue				
5. NET REVENUES	\$	\$	\$	\$
OPERATING EXPENSES:				
6. Administration	\$	\$	\$	\$
7. Plant and Maintenance				
8. Nursing Services				
9. Dietary				
10. Laundry and Linen				
11. Housekeeping				
12. Activities				
13. Drugs and Pharmacy				
14. Purchased Services				
15. Mich. Single Business Tax				
16. Management Fee				
17. Depreciation				
18. Interest				
19. Lease				
20. Rent				
21. Property Taxes				
22. TOTAL OPERATING EXPENSES	\$	\$	\$	\$
23. Excess of Revenues Over / Under Expenses				
24. Number of Beds				
25. Number of Patient Days				

Assumptions Made in Preparation of Revenue and Expense Statement

Following are explanations for the assumptions made and the methods utilized in calculating the projections of revenue and expense for the line item entries on Page 2 of this form.

REVENUE:

1. Routine services: Sources and Rates will be the same as those reported on form CON-1100 page 18/18. The chart below should be based on the Second Projected Year of operation only.

Second Year Revenue Sources	Rate X	Patient Days =	Revenue
Medicaid			
Medicare			
Blue Cross			
Private Pay			
Other			
TOTAL →			

2. Ancillary services
3. Allowances made
4. Other revenue

EXPENSES:

6. Administration
7. Plant and maintenance
8. Nursing services
9. Dietary
10. Laundry and linen
11. Housekeeping
12. Activities
13. Drugs and pharmacy
14. Purchased services
15. Michigan single business tax
16. Management fee
17. Depreciation/amortization - based on Form CON-1102, page 18.

EXPENSES (Continued):

18. Interest
19. Lease
20. Rent
21. Property taxes
22. TOTAL EXPENSE <i>(No explanation needed)</i>
23. REVENUE OVER (UNDER) EXPENSE <i>(No explanation needed)</i>
24. Number of beds
25. Number of patient days
26. Occupancy rate
27. Full Time Equivalent positions